

CIA HISTORICAL REVIEW PROGRAM
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~~SECRET~~ ~~REBUSINESS~~ ~~RYBAT~~
2003

LINCOLN

APR 29 1954

Chief of Station, Guatemala

INFO: Chief, WHD

Luis Alfredo CASTILLO C.

1. For the past three weeks, Luis Alfredo CASTILLO C. has been a frequent visitor at the house of Arthur G. VAIVADA whose sister-in-law currently lives with the VAIVADA family. CASTILLO and the sister-in-law have become slightly good friends as a result of which CASTILLO has become more talkative concerning his affairs.
2. According to him, CASTILLO was Legal Secretary to President ARBENZ until two weeks ago, when he requested a leave of absence from his work in order to visit Switzerland. CASTILLO, who since the first time VAIVADA met him has exhibited extreme nervousness, told VAIVADA that his physical and mental condition is such that he could not concentrate properly and it was for that reason he requested a leave of absence in Switzerland in order to rest and forget his job.
3. Because of his position, his request immediately came to the attention of the President. According to CASTILLO, ARBENZ called the former into his office, told him that all government officials were overworked and working under tension and for that reason could not see why a rest in Switzerland was necessary for CASTILLO at this time. CASTILLO allegedly returned to his desk but a short time later officially requested that he be transferred to Berne, Switzerland as Consul. His request was refused as a result of which he submitted his resignation which was immediately accepted by ARBENZ.
4. At the present time CASTILLO, according to him, is employed by the company GRANA y TOWNSON, S.A., (a general insurance company) in their legal department. He told VAIVADA within the immediate past that he is attempting to secure insurance on land which his family owns and is even more nervous than ever.

Agent's Comment: VAIVADA's personal opinion is that CASTILLO, a very astute individual, believes ARBENZ' regime is about topple and is striving desperately to get out of Guatemala. VAIVADA believes CASTILLO wants to protect his real estate holdings but would not volunteer any information which would indicate why he is desirous of insuring it. Attempts to draw CASTILLO out further met with negative results.

Cyrus E. Burnette

29 April 1954

CEB/cmh

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